

## Message Text

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ACTION EB-11

INFO OCT-01 EA-11 ADP-00 AGR-20 AID-20 CIAE-00 COME-00

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12

CIEP-02 LAB-06 SIL-01 OMB-01 NSC-10 SS-15 STR-08

CEA-02 INT-08 TAR-02 RSR-01 /151 W

----- 074995

P 131047Z JUL 73

FM AMEMBASSY BANGKOK

TO SECSTATE WASHDC PRIORITY 4784

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E.O. 11652:N/A

TAGS: EAGR

SUBJ: FOREIGN REACTION TO POTENTIAL U.S. AGRICULTURAL  
EXPORT CONTROLS

REF: STATE 135419

BEGIN UNCLASSIFIED

1. THAI CORN MISSION RETURNED TO BANGKOK FROM JAPAN  
AND TAIWAN JULY 12 AFTER HAVING CONCLUDED AGREEMENTS TO  
EXPORT ONE MILLION AND ONE-HALFMILLION TONS RESPECTIVELY  
OF THAI CORN DURING NEXT YEAR. CROP FAILURE OR BUMPER  
COP PROVIDED FOR BY ESTABLISHING EXPORT RANGE AROUND  
AGREED FIGURE, RESPECTIVELY, OF .6 TO 1.15 MILLION TONS  
AND 450 TO 600 THOUSAND TONS. PRICES TO BE CALCULATED ON  
BASIS CLOSING QUOTATION IN CHICAGO MARKET 30 DAYS PRIOR  
TO SHIPMENT. HOWEVER, AGREEMENTS VOIDED IF US EXPORT  
CONTROLS EXTENDED TO CORN THUS DEPRESSING CHICAGO MARKET  
PRICE.

2. BANGKOK POST QUOTED TRADE SOURCE JULY 11 THAT OTHER ORDERS  
ALSO HAVE BEEN POURING IN FROM ABROAD FRO THAI CORN FOR  
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'73 - '74 HARVEST SEASON. ORDERS FROM SINGAPORE, MALAYSIA,

HONG KONG, AND SAUDI ARABIA MENTIONED. CORN PRICES DOMESTICALLY ALLEGED TO HAVE INCREASED SHARPLY TO 120 BAHT PER PICUL.

3. ENGLISH LANGUAGE NATION JULY 4 QUOTED MINISTRY OF COMMERCE BUSINESS ECONOMICS DEPT DIRECTOR GENERAL AS STATING RTG CONTEMPLATING BAN ON SOYBEAN EXPORTS TO DEPRESS RISING DOMESTIC PRICE KUSED BY LOCAL SHORTAGE AND US EXPORT BAN. IN SAME ARTICLE LOCAL BUSINESSMAN QUOTED AS STATING THAT DESPITE INCREASED DEMAND LOCALLY AND ABROAD NO SOYBEAN OUTPUT INCREASE PLANNED FOR WHICH HE BLAMED INADEQUATE RTG SUPPORT PARTICULARLY IN SUPPLY OF SEEDS.

4. SAME ARTICLE STATED THAT US SOYBEAN EXPORT BAN HAD CAUSED \$4.25 PER TON DROP IN TAPIOCA PRICE IN GERMANY, SECOND LARGEST (\$4 MILLION IN 1972) IMPORTER OF THIS IMPORTANT THAI EXPORT. INITIAL EXPLANATION WAS THAT US SOYBEAN EXPORT BAN FORCED GERMAN FEED PRODUCERS TO CHANGE THEIR FEED FORMULA. OTHER PRESS REPORTS INDICATE DOMESTIC THAI SOYBEAN PRICES, WHICH HAD DOUBLED IN RECENT MONTHS, DROPPED SLIGHTLY IN EARLY JULY DUE TO RUMORED RTG EXPORT BAN. END UNCLASSIFIED.

5. RICE EXPORT BAN IMPOSED BY RTG JUNE 13 BUT MAY BE REVISED TO EXEMPT PARBOILED RICE AND BROKENS, ACCORDING TO PRESS SOURCES. RTG OFFICIALS STATE SURPLUS EXISTS OF THESE TYPES. EXPORT EXCEPTIONS SINCE BAN IMPOSED HAVE BEEN SALES OF 5,000 TONS TO CAMBODIA AND 6,000 TONS OF GLUTINOUS RICE TO LAOS, BUT BOTH CONTRACTS HAD LEGITIMATE ANTECEDENTS FROM PRE-BAN PERIOD. PRESS TORY OF JUNE 13 SUGGESTED RTG SEEKING WAYS TO PROTECT TRADITIONAL EXPORT MARKETS WHILE MAINTAINING CONTROLS OVER DOMESTIC MARKET.

6. NO MAJOR CHANGES IN OUTPUT PROSPECTS FOR CROPS MENTIONED IN REFTEL. NO THAI REACTION TO US EXPORT CONTROLS NOR CHANGES IN AGRICULTURAL OR TRADE POLICY NOTED, EXCEPT AS INDICATED ABOVE. NO INFLUENCE ON THAI POSITIONS ON MILITILATERAL TRADE NEGOTIATIONS OR INTERNATIONAL MONETARY NEGOTIATIONS YET APPARENT FROM IMPOSITION US EXPORT CONTROLS.  
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MASTERS

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** RICE, CORN, EXPORT CONTROLS, SOYBEANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 13 JUL 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** willialc  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973BANGKO10845  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** BANGKOK  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19730736/aaaabajx.tel  
**Line Count:** 108  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EB  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
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**Review Transfer Date:**  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** FOREIGN REACTION TO POTENTIAL U.S. AGRICULTURAL EXPORT CONTROLS  
**TAGS:** EAGR, ETRD, TH, US, XC  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005